



BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-809]

Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Final Results of the Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: On December 7, 2011, the Department of Commerce (the “Department”) published the preliminary results of the administrative review of the antidumping duty order on circular welded non-alloy steel pipe (“CWP”) from the Republic of Korea (“Korea”). The review covers the period November 1, 2009, through October 31, 2010, and two producers/exporters of the subject merchandise to the United States: SeAH Steel Corporation (“SeAH”) and Hyundai HYSCO (“HYSCO”). Based on our analysis of the comments received from interested parties, we have made changes to the margin calculations. The final weighted-average dumping margins for the reviewed firms are listed below in the section entitled “Final Results of Review.”

EFFECTIVE DATE: [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION CONTACT Mary Kolberg or Jennifer Meek, AD/CVD

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telephone (202) 482-1785 or (202) 482-2778, respectively.

SUPPLEMENTARY INFORMATION:

Background

Following *Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: Preliminary Results of the Antidumping Duty Administrative Review*, 76 FR 76369, 76374 (December 7, 2011) (“*Preliminary Results*”), the Department requested additional information on the U.S. date of sale. Accordingly, we postponed the briefing schedule. We sent supplemental questionnaires to HYSCO and SeAH on January 20, and January 27, 2012, respectively, and we received timely responses on February 3, and February 22, 2012, respectively.

On February 15, 2012, the Department published in the *Federal Register* an extension of the time limit for the completion of the final results of this review until no later than June 4, 2012, in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (“the Act”), and 19 CFR 351.213(h)(2). See *Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: Extension of the Final Results of the Antidumping Duty Administrative Review*, 77 FR 8808 (February 15, 2012).

We received case briefs from Wheatland Tube Company (“Wheatland”), United States Steel Corporation (“U.S. Steel”), HYSCO, and SeAH on March 14, 2012. On March 22, 2012, U.S. Steel, Wheatland, Allied Tube and Conduit and TMK IPSCO, SeAH, and HYSCO submitted rebuttal briefs. On January 6, 2012, Wheatland requested a hearing, but withdrew its request on April 5, 2012. Thus, no hearing was held.

Scope of the Order

The merchandise subject to the order is circular welded non-alloy steel pipe and tube, of circular cross-section, not more than 406.4 mm (16 inches) in outside diameter, regardless of

wall thickness, surface finish (black, galvanized, or painted), or end finish (plain end, beveled end, threaded, or threaded and coupled). These pipes and tubes are generally known as standard pipes and tubes and are intended for the low-pressure conveyance of water, steam, natural gas, air, and other liquids and gases in plumbing and heating systems, air-conditioning units, automatic sprinkler systems, and other related uses. Standard pipe may also be used for light load-bearing applications, such as for fence tubing, and as structural pipe tubing used for framing and as support members for reconstruction or load-bearing purposes in the construction, shipbuilding, trucking, farm equipment, and other related industries. Unfinished conduit pipe is also included in the order.

All carbon-steel pipes and tubes within the physical description outlined above are included within the scope of the order except line pipe, oil-country tubular goods, boiler tubing, mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished conduit.¹

Imports of these products are currently classifiable under the following Harmonized Tariff Schedule (“HTS”) subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. Although the HTS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

¹ See *Final Negative Determination of Scope Inquiry on Certain Circular Welded Non-Alloy Steel Pipe and Tube From Brazil, the Republic of Korea, Mexico, and Venezuela*, 61 FR 11608 (March 21, 1996). In accordance with this determination, pipe certified to the API 5L line-pipe specification and pipe certified to both the API 5L line-pipe specifications and the less-stringent ASTM A-53 standard-pipe specifications, which falls within the physical parameters as outlined above, and entered as line pipe of a kind used for oil and gas pipelines is outside of the scope of the antidumping duty order.

Analysis of Comments Received

All issues raised are addressed in the “Issues and Decision Memorandum for the 2009-2010 Administrative Review of Circular Welded Non-Alloy Steel Pipe from the Republic of Korea” (“Issues and Decision Memorandum”), which is dated concurrently with and hereby adopted by this notice. A list of the issues which parties raised and to which we responded in the Issues and Decision Memorandum is attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file electronically *via* Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System (“IA ACCESS”). Access to IA ACCESS is available in the Central Records Unit (“CRU”), room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Import Administration website at <http://ia.ita.doc.gov/frn/index.html>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Results

SeAH's U.S. credit expenses have been recalculated to include the period from the date of shipment until the date of payment as opposed to the date of invoice to the date of payment in accordance with our practice. We have also recalculated the adjustment for U.S. inventory carrying costs incurred in the country of manufacture to avoid double counting the time period between the date of shipment and the invoice date.

SeAH's reported cost of manufacturing has been revised to eliminate the inventory valuation adjustment. For additional details, *see* Memorandum to Neal M. Halper, Director of Office of Accounting, “Cost of Production and Constructed Value Calculation Adjustments for

the Final Results - SeAH Steel Corporation,” dated June 4, 2012.

Cost of Production

Consistent with the *Preliminary Results*, we disregarded home market sales by SeAH and HYSCO that failed the cost-of-production test.

Final Results of Review

We determine that a weighted-average dumping margin exists for the two respondents, SeAH and HYSCO, for the period November 1, 2009, through October 31, 2010.

Manufacturer/Exporter	Weighted-Average Dumping Margin
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SeAH Steel Corporation.....	2.69 %
Hyundai HYSCO.....	0.59 %

Disclosure

The Department will disclose calculations performed within five days of the date of publication of this notice to the parties to this proceeding in accordance with 19 CFR 351.224(b).

Assessment Rates

The Department shall determine, and U.S. Customs and Border Protection (“CBP”) shall assess, antidumping duties on all appropriate entries, in accordance with 19 CFR 351.212(b)(1). The Department calculated importer-specific *ad valorem* duty assessment rates on the basis of the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the examined sales for that importer. Where the assessment rate is above *de minimis*, we will instruct CBP to assess duties on all entries of subject merchandise by that importer. Pursuant to 19 CFR 351.106(c)(2), we will instruct CBP to liquidate without regard to

antidumping duties any entries for which the assessment rate is *de minimis* (i.e., less than 0.50 percent).

The Department intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review.

The Department clarified its “automatic assessment” regulation on May 6, 2003. *See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003) (“*Assessment Policy Notice*”). This clarification will apply to entries of subject merchandise during the period of review produced by companies included in these final results of review for which the reviewed companies did not know that the merchandise they sold was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediary party involved in the transaction. *See Assessment Policy Notice* for a full discussion of this clarification.

Cash Deposit Requirements

The following cash deposit rates will be effective upon publication of the final results of this administrative review for all shipments of CWP from Korea entered or withdrawn from warehouse, for consumption, on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rates for the companies listed above will be the rates established in the final results of this review, except if the rate is less than 0.5 percent and, therefore, *de minimis*, the cash deposit rate will be zero; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent final results for that manufacturer or exporter; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (“LTFV”) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the

most recent final results for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review or the LTFV investigation conducted by the Department, the cash deposit rate will be 4.80 percent, the “all others” rate established in the LTFV investigation. *See Notice of Antidumping Orders: Certain Circular Welded Non-Alloy Steel Pipe from Brazil, the Republic of Korea, Mexico, and Venezuela, and Amendment to Final Determination of Sales at Less Than Fair Value: Certain Circular Welded Non-Alloy Steel Pipe from Korea*, 57 FR 49453 (November 2, 1992). These deposit requirements shall remain in effect until further notice.

Notification to Importers

This notice also serves as the final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and in the subsequent assessment of double antidumping duties.

Notification to Interested Parties

This notice serves as the only reminder to parties subject to administrative protective order (“APO”) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

These final results of review are issued and published in accordance with sections
751(a)(1) and 777(i)(1) of the Act.

Paul Piquado
Assistant Secretary
for Import Administration

__June 4, 2012_____
(Date)

Appendix – Issues in Decision Memorandum

HYSKO ISSUES AND SEAH ISSUES

Comment 1: Whether to Eliminate Zeroing Methodology in the Final Results

WHEATLAND TUBE COMPANY AND U.S. STEEL ISSUES

Comment 2: Whether The Department Should Use the Purchase Order Date for HYSCO's U.S. Date of Sale

U.S. STEEL ISSUES

Comment 3: Whether to Use the Invoice Date for SeAH's U.S. Date of Sale

Comment 4: Whether to Recalculate SeAH's U.S. Credit Expense

WHEATLAND TUBE COMPANY ISSUES

Comment 5: Whether to Include Bad Debt in SeAH's U.S. Indirect Selling Expenses

Comment 6: Whether to Increase SeAH's Reported Costs to Include An Unreconciled Amount

Comment 7: Whether to Disallow Any Offset to SeAH's Reported Costs for Inventory Valuation Gains

Comment 8: Whether to Base the Major Input Adjustment for SeAH's Hot-Rolled Steel Purchases on Comparisons of Identical Specifications

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